at the time of presenting the annual budget proposals.

New Branches of Nationalised Banks in Andhra Pradesh

654. SHRIMATI JAYAPRADA NAHATA: Will the Minister of FINANCE be pleased to state:

(a) whether nationalised banks have opened any new branches in Andhra Pradesh in 1997-98;

(b) whehter it is a fact that rural banking is suffering neglect due to disinterest by nationalised banks;

(c) what steps Government propose to take to increase banking facilities in rural areas in Andhra Pradesh; and

(d) the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE: (SHRI R. JANARTHANAM): (a) During the year 1997-98, 15 branches of public sector banks have been opened in Andhra Pradesh.

(b) No, Sir.

(c) and (d) As per the extant branch licensing policy, banks can open rural branches in their service area after obtaining the recommendations of the State Governments or State Level Bankers' Committee and authorisations of the Reserve Bank of India (RBI).

Cut in Prime Lending Rates by Banks

655. SHRIMATI VEENA VERMA: Will the Minister of FINANCE be pleased to state·

(a) whether the Reserve Bank of India and other nationalised Banks have been considering another round of cut in their prime lending rates;

(b) if so, in what precise context and background such step has been considered; and

(c) the decision, if any taken in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI R. JANARTHANAM): (a) to (c) Prime Lending Rate (PLR) is determined by individual Commercial Bank themselves taking into account factors such as the ruling and expected rate of inflation the return on capital employed, the cost of funds to the banks including interest rate offered on deposits, the spread available to the bank to cover administrative and other costs, and statutory pre-emptions through Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR). Banks may change their PLRs whenever there is any change in these factors and also in response to RBI's decision to change the Bank Rate.

Action taken on BIFR Report

656. SHRI SANJAY DALMIA:
DR. D. VENKATESHWAR RAO:
DR. MOHAN BABU:

Will the Minister of FINANCE be pleased to state:

(a) whether any action has since been taken on the report of BIFR in respect of certain PSUs which were proposed to be liquidated;

(b) if so, the details thereof;

(c) whether Government have received several requests from employees of the organizations and public for safeguarding the interest of these employees; and

(d) if so, the facts and details thereof nd the action taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI R. JANARTHANAM): (a) and (b) The Board for Industrial & Financial Reconstruction (BIFR) has reported that as on 31.3.1998, 10 sick Central Public Sector Companies were recommended for winding up to the concerned High Courts under Section 20(1) of Sick Industrial Companies (Special Provisions) Act, 1985 (SICA). BIFR has also informed that it